

EXHIBIT D

CAUSE NO. _____

GEORGE M LEE
Plaintiff,**VS.****ALI CHOUDHRI,**
and 2727 KIRBY 26L LLC
Defendants.§
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§**IN THE DISTRICT COURT**____ **TH JUDICIAL DISTRICT****OF HARRIS COUNTY, TEXAS****GEORGE M. LEE'S ORIGINAL PETITION**

COMES NOW Plaintiff George M. Lee ("Plaintiff" or "Mr. Lee") who files this Original Petition against Defendants Ali Choudhri and 2727 Kirby 26L LLC (collectively the "Defendants") asking this Court to hold that 2727 Kirby 26L LLC is the alter ego of Defendant Ali Choudhri for the purposes of enforcement of a judgment against Defendant Ali Choudhri, and in support thereof would respectfully show the Court as follows:

I. Discovery Level

1. Plaintiff intends to conduct discovery under Discovery Level 2 of the Texas Rules of Civil Procedure, and affirmatively plead that the expedited actions process of Texas Rule of Civil Procedure 169 do not govern this suit.

2. Plaintiff further states under Texas Rule of Civil Procedure 47(c) that Plaintiff seeks both non-monetary relief and monetary relief of over \$1,000,000.00. Tex. R. Civ. Pro. 47.

II. Jurisdiction and Venue

3. The Court has jurisdiction over the subject matter of these proceedings because the amount in controversy exceeds the minimal jurisdictional requirements of this Court.

4. The Court has personal jurisdiction over the Defendant because Defendant has conducted business and/or committed a tort in whole or in part in this state.

5. Venue is proper in Harris County because all or a substantial part of the events or omissions giving rise to the present suit occurred in this county and the real estate that is in part the subject matter of the present suit is located within this county.

III. Parties

6. Plaintiff George M. Lee is an individual residing in Harris County, Texas and may be served through his attorneys of record, Sponsel Miller Greenberg, PLLC, Thane Tyler Sponsel III, 50 Briar Hollow Lane, Suite 370 West, Houston, Texas 77027.

7. Defendant Ali Choudhri ("Choudhri") is an individual residing in Harris County, Texas, and may be served at his place of business located at 2500 West Loop South, Suite 255, Houston, Texas 77027, or wherever he may be found.

8. Defendant 2727 Kirby 26L LLC is a Wyoming limited liability corporation both owning and conducting business in the State of Texas, and may be served through its registered agent, TXRA Services, LLC, at the following address: 25688 Magnolia Pines Drive, Magnolia, Texas 77355.

IV. Factual Background

9. On or about January 31, 2024, the 152nd Judicial District Court of Harris County, Texas granted a judgment in favor of Plaintiff against Defendant Ali Choudhri in Cause No. 2020-16175 styled *George M. Lee vs. Mohammad Ali Choudhri* in the amount of \$6,724,402.62, as well as \$143,057.49 in attorneys' fees and post-judgment interest of 8.5% (the "Judgment"). A copy of the Judgment is attached hereto as Exhibit A.

10. The Judgment became final on or about May 15, 2024. While the Judgment is currently on appeal, as of the date of this pleading, no supersedeas bond or other suspension of judgment has been granted and/or is in place.

11. On or about September 9, 2021, Defendant Ali Choudhri registered the entity known as 2727 Kirby 26L LLC (the “Kirby LLC”), an LLC organized under the laws of the State of Wyoming. Defendant Ali Choudhri is the sole governing person identified on the documents registering Kirby LLC.¹ In its most recent filings with the Texas Secretary of State’s records, Defendant Ali Choudhri is also identified as the sole governing person of Kirby LLC.² Kirby LLC is a single property entity, owning only the property identified as 2727 Kirby Drive # 26L, Houston, Texas 77098 (the “Kirby Property”).

12. Defendant Ali Choudhri claims that he currently has negative net worth. However, a review of the Harris County Appraisal District’s valuation for the Kirby Property indicates that it has a value of at least \$2,098,400.00.³

V. Causes of Action

A. Enforcement of Judgment against Alter Ego

13. An action to enforce a judgment based upon alter ego theory “does not require relitigation of [the underlying] claim.” *Am Star Energy & Minerals Corp. v. Stowers*, 457 S.W.3d 427, 434 (Tex. 2015). Rather, the only issues to be determined in such an action are” (whether an underlying judgment exists; and (2) whether the corporate entity should be disregarded and the individuals held liable. *Id.*

¹ See Application for Registration of a Foreign Limited Liability Company dated June 14, 2023, attached hereto as Exhibit B.

² See Exhibit C, Online Inquiry for Governing Person of Kirby LLC as of June 14, 2023.

³ See Exhibit D, Harris County Appraisal District Valuation for the Kirby Property.

14. Here, there is no question that the first element of this cause of action is met. There is an underlying judgment by Plaintiff against Defendant Ali Choudhri in the amount of \$6,724,402.62, as well as \$143,057.49 in attorneys' fees and post-judgment interest of 8.5%. *See* Exhibit A.

15. The second element of this claim requires a showing that a corporate entity should be disregarded as an alter ego of Defendant Ali Choudhri. The alter ego doctrine, or "reverse veil piercing" in the present case, allows for the owner of a corporate entity to be held personally liable if the movant demonstrates that: (1) the corporation is organized and operated as a mere tool or business conduit of another; and (2) there is such "unity between the corporation and the individual that the separateness of the corporation has ceased to exist." *SSP Partners v. Gladstrong Invs. (USA) Corp.*, 275 S.W.3d 444, 454-55 (Tex. 2008).

16. In determining whether or not a given corporation meets the above criterium, courts look to multiple factors, including the total dealings of the corporation and individual, the degree that corporate formalities have been followed and corporate and individual property have been kept separately, the amount of financial interest, ownership, and control the individual maintains over the corporation, and whether the corporation has been used for personal purposes. *Castleberry v. Branscum*, 721 S.W.2d 270, 271 (Tex. 1986) (elements of alter ego).

17. In the present case, Kirby LLC is wholly owned, managed, and operated by one person – Defendant Ali Choudhri. He exerts complete and total control over Kirby LLC, is the sole owner of that entity, and holds the entirety of financial interest in the entity. While he has maintained the registration of Kirby LLC, upon information and belief, Choudhri has failed to follow other corporate formalities that are typically seen in such an LLC.

18. Therefore, the facts presented herein show that Kirby LLC is the alter ego of Defendant Ali Choudhri, created to hide and sequester his assets from Plaintiff and other judgment creditors. Therefore, in addition to the forgoing badges of fraud, it is clear that Kirby LLC was created with the specific intent and purpose of hiding and sequestering Defendant Ali Choudhri's assets from judgment creditors, and thus is part of a scheme to perpetrate a fraud.

19. For the forgoing reasons, the corporate façade of Kirby LLC should be pierced for the purposes of allowing Plaintiff to enforce the Judgment against Defendant Ali Choudhri.

VI. Conditions Precedent

20. All conditions precedent to Plaintiff's claim for relief have been performed or occurred.

VII. Request for Costs and Attorneys' Fees

21. Plaintiff requests that he be awarded all costs and reasonable and necessary attorneys' fees incurred in bringing the present action as are equitable and just under TEX. CIV. PRAC. & REM CODE § 37.009 and § 38.001.

VIII. Request for Disclosure

22. Plaintiff hereby requires Defendant to provide the information listed in Texas Rule of Civil Procedure 194.2(a)-(k) no later than fifty (50) days following receipt of this Petition.

Prayer

Therefore, for the forgoing reasons, Plaintiff prays that this Court: (i) after proper service, notice and hearing, hold that Defendant 2727 Kirby 26L LLC is the alter ego of Defendant Ali Choudhri for the purposes of enforcement of Plaintiff's Judgment against Defendant Ali Choudhri; (ii) award Plaintiff all costs of court and reasonable and necessary attorneys' fees as the Court

deems just and equitable; and (iii) afford Plaintiff any other relief to which he may be entitled to at law or in equity.

Respectfully submitted,

SPONSEL MILLER GREENBERG PLLC

/s/ *Zachary A. Clark*

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